

**STITES & HARBISON** PLLC  
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December 11, 2003

**HAND DELIVERED**

Thomas M. Dorman  
Executive Director  
Public Service Commission of Kentucky  
211 Sower Boulevard  
P.O. Box 615  
Frankfort, Kentucky 40602-0615

Mark R. Overstreet  
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(502) 223-4387 FAX  
moverstreet@stites.com

RECEIVED  
DEC 11 2003  
REGISTERED

RE: *P.S.C. Case No. 2003-228*

Dear Mr. Dorman:

Please find enclosed and accept for filing the Response of Kentucky Power Company d/b/a American Electric Power to Hearing Data Request No. 4. This completes Kentucky Power's responses to the hearing data requests.

By copy of this letter, I am serving a copy of the response on all counsel of record.

Sincerely yours,

STITES & HARBISON PLLC

Mark R. Overstreet

cc: Robert C. Moore  
Albert A. Burchett  
Rebecca S. Gohmann  
J. Scott Preston

KE057:KE169:10273:1:FRANKFORT

**COMMONWEALTH OF KENTUCKY**

**BEFORE THE**

**PUBLIC SERVICE COMMISSION OF KENTUCKY**

RECORDED

DEC 11 2003

PUBLIC  
OFFICE

**IN THE MATTER OF**

**MATRIX ENERGY, LLC FOR DETERMINATION ) CASE NO.  
OF RETAIL ELECTRIC SUPPLIER ) 2003-00228**

**SUPPLEMENTAL RESPONSE OF KENTUCKY POWER COMPANY D/B/A  
AMERICAN ELECTRIC POWER TO MATRIX ENERGY FIRST SET OF DATA  
REQUESTS NO. 4**

**December 11, 2003**

**Kentucky Power**  
**d/b/a**  
**American Electric Power**

**REQUEST**

Reference to Kentucky Power Company Response to Matrix Data Request No. 1 dated November 7, 2003

Please provide a cost of service study for AEP/Kentucky Power Company to provide service to Matrix utilizing the existing tap and high voltage meter presently existing at the Pevler Station.

**RESPONSE**

The cost for AEP to serve the entire 5 to 7 MW load at the Matrix Mining from the existing Pevler 69 kV delivery point will be approximately \$154,000 and will take up to four months to complete. As demonstrated on the attached line diagram (see page 2), this includes motorizing the two existing 69 kV in-line switches and using the existing metering equipment at the Pevler 69 kV delivery point.

In comparison, establishing a new interconnection point for EKPC on the Dewey-Inez 69 kV line will cost approximately \$332,000 plus site preparation and take up to six months to complete. The estimated cost also assumes that EKPC will provide, at their cost, land for the station and the graveled road for access to the station through a locked gate, in a timely manner to allow AEP time to install the facilities within the six-month period.

The costs shown in the above alternatives do not include any costs for customer facilities.

**WITNESS:** Errol K Wagner

**SIMPLIFIED DEWEY – INEZ 69 kV LINE**  
(Proposed Service to Matrix Energy)

